TRENDS

BY G. PASCAL ZACHARY

The last few decades have made it clear to anybody who has been paying attention that free markets – the aggregated will of countless individuals and enterprises – do a far better job of building economies than central planning can manage. Could the decentralized forces that constitute the miracle of markets also rescue failed nations in sub-Saharan Africa from the seemingly intractable problems of bad government, tribal conflict and pandemic disease? Admittedly, it's a stretch. But such radical ideas may constitute the best hope for this benighted region.

In market economies, poorly performing businesses must change or die. The managers of troubled corporations are ousted (albeit rarely soon enough) and when corporate assets underperform, they are sold or liquidated. Large companies are routinely broken into smaller ones in the name of maximizing stockholder value and smaller companies grow larger through mergers, acquisitions and expansion of market share.

What would happen if we encouraged (or at least, stopped discouraging) such evolution in the realm of nation-states? Throughout history, the notion of taking countries apart and reassembling them in the name of one utopian vision or another has been part of the vocabulary of tyrants (and, occasionally, democracies, including the young United States). More often than not, such changes have been driven by coercion, not anything akin to the organic, liberating influence of what the great economist Joseph Schumpeter called "creative destruction" in the evolution of industries. Hence, the whole notion of treating failed nation-states like failed businesses might seem like the bizarre daydream of an underemployed economist.

But suspend judgment for a moment. Could there be a practical way to allow the citizens of one country to express a preference to join another, and then do so? Could different parts of a failed state be parceled out among more viable neighbors? If so, who would oversee the fresh start – and manage the inevitable conflicts, missteps and mid-course corrections?

I confess to being unable to supply fully convincing answers. Managing the configuration of nations the way stockholders (at least in theory) manage corporations is not an obvious formula for success. Yet the conventional rules of geopolitics, in which sovereignty is respected in all circumstances short of genocide, constitute such a non-starter in Africa that even unorthodox alternatives are worth contemplating.

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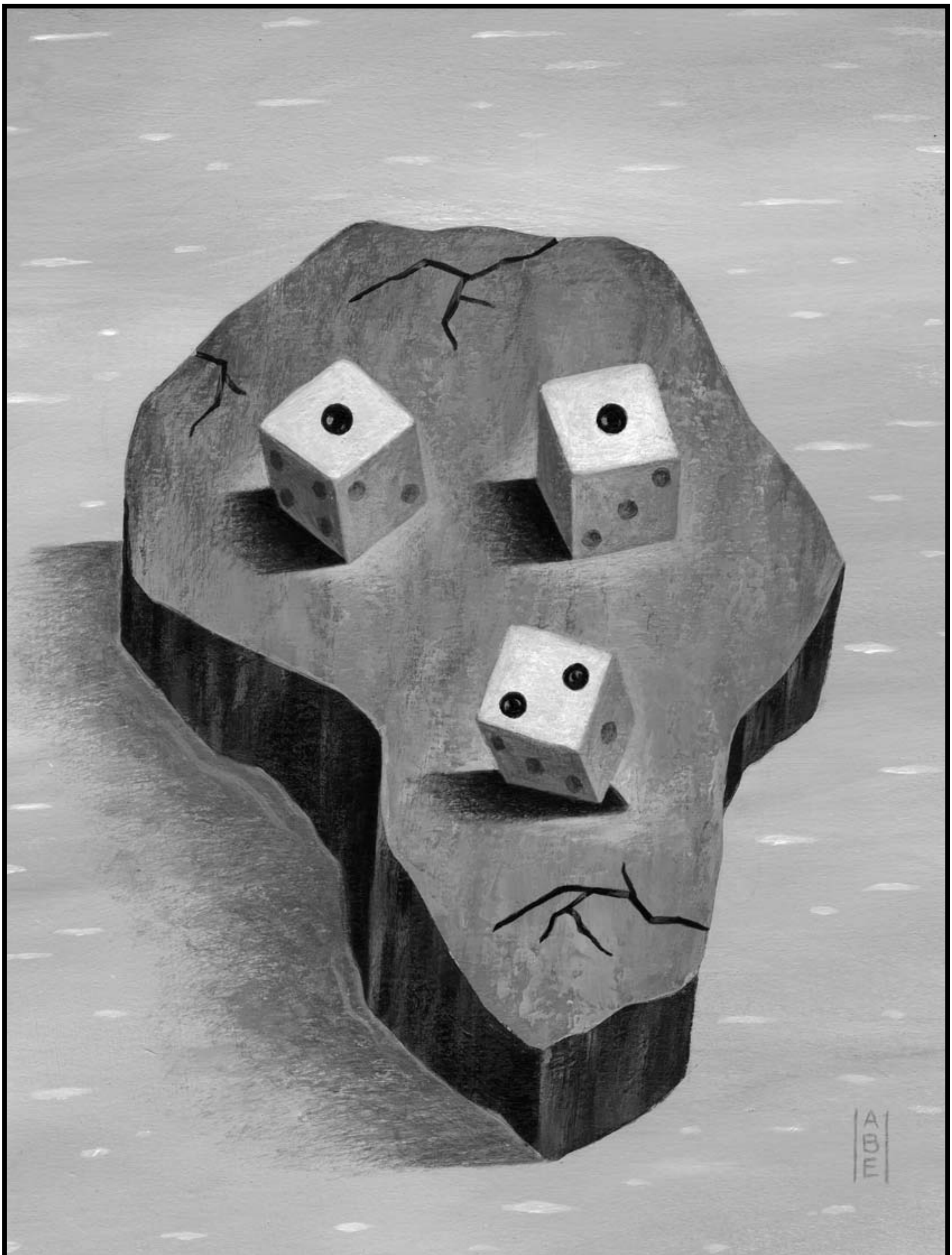

GEORGE ABE

Look more closely at sub-Saharan Africa. Bad governments weigh heavily on people in many parts of the world – but nowhere more so than in this region. In its latest study of so-called failed states, the Fund for Peace (a Washington-based non-profit) concluded that four of the five worst failures are in sub-Saharan Africa. And that's not all: 6 of the 10 worst and 9 of the 15 worst are to be found here. The Fund for Peace list, and most every other failed-state reckoning, puts five sub-Saharan nations – Somalia, Sudan, Congo, Zimbabwe and Liberia – at the bottom of the pile. Indeed, there is a near-consensus that these nations are incapable of reliably delivering basic services and are veritable advertisements for the idea of starting over.

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To be sure, the term "failed states" is also invoked by politicians and pundits as a cover for threats to governments that fail to hew to liberal political ideals defined in Washington. Certainly, Iran, Cuba and Venezuela fail to respect individual rights. Yet they are hardly failed states by my narrower reckoning.

By contrast, in Africa, even most states that escape standard failure lists are failures by common-sense measures, and their prospects for positive change are modest at best. "This fact may be hard for Africans to admit," allowed Stephen Ellis, a researcher at the African Studies Centre in the Netherlands, "but it is even harder for them to live with."

Ellis calls for reviving international trusteeships of the sort administered by the League of Nations after World War I, yet stops short of advocating the reconfiguration of borders negotiated long ago by European diplomats. He is, in effect, heeding a powerful self-imposed prohibition against this ultimate form of meddling in the affairs of sovereign states, no matter how illegitimate their claims to serving the will of the people. Indeed, international agencies and foreign donors speak with one voice on this subject, never questioning the sovereignty of states on perpetual life support.

Consider Congo, political successor to Zaire. United Nations peacekeepers have been stationed in Congo for years, at least partly to protect the "integrity" of the country's borders – which were set more than a century ago to maximize the benefits to Belgium and its murderous monarch, Leopold II. Take away the United Nations peacekeepers and French soldiers, and surely Congo would fracture along geographic and ethnic lines.

Fragmentation of this sort is still unthinkable to international donors, however, who prefer to maintain Congo's state at great cost. Last year, donors paid more than $500 million to manage two rounds of elections that ended up doing nothing more than adding a patina of legitimacy to the rule of Joseph Kabila, who seized power at the barrel of a gun after his father's assassination. In vast areas of Congo, Kabila has essentially no popular support; he is a regional leader who at best should rule over a truncated Congo, with other regions pursuing their own paths.

It's worth noting that, in spite of this international resistance to redrawing the African map, a few modestly successful examples of border change have taken place – notably

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Eritrea's escape from Ethiopia in 1993. Meanwhile, the fantasy of a single Somalian commonwealth continues to hold sway over an international community unwilling to contemplate doing away with the devil they already know, despite the emergence of the functioning pseudo-states of Somaliland (in the northwest) and Puntland (in the northeast).

The absence of a traditional state apparatus in these parts of Somalia has hardly brought bliss, but it has led to market-driven quality-of-life improvements. In a recent article on Somalia, aptly entitled, "How to Function Without a State?" Roland Marchal, a fellow at CERI, France's elite political science research institute, observes:

> "All basic services are available … provided that one has the means to access them: primary schools, secondary schools and even institutions called 'universities' exist … but there are also countless language and computer science institutes to be found in the country, often even in the smallest towns, and Internet cafes, which have sprung up all over since 2004. Hospitals are less common and of questionable quality, but for many of them the current situation … is better than it was in the last years of General Mohamed Siyad Barre's dictatorship [he was overthrown in 1991] when the country's health centers were admittedly public but throttled by costly endemic corruption."

The case of Somalia underscores the importance of non-government actors in Africa and the benefits to be gained from approaches to development that transcend political borders. More foreign assistance than ever flows to non-government organizations, and donors are beginning to talk enthusiastically about the benefits from bypassing state structures to deliver aid directly to the needy.

Last September, I spent two weeks in the southern African nation of Malawi, ranked 12th from the bottom of the United Nations human development index. Malawi is a densely populated, arbitrarily configured country that is being ravaged by AIDS, chronic food shortages, official corruption and one of the highest birth rates in the world – 5.92 children per woman.

There is no compelling scenario for the transformation of Malawi's government into a stable deliverer of basic services. Structural problems stemming from the country's peculiar boundaries, its lack of an urban, industrialized center and its great distance from the sea are overwhelming. The country is heavily rural, yet farming operates largely with technology that would have been considered primitive in 19th-century Europe. Oxen are rarely used for plowing; tractors are relegated to a handful of large estates. The threat of hunger exists even in relatively flush years. Access to credit for small farmers is nonexistent. Only one in five couples engage in family planning. Aid programs are largely ineffective.

Malawi's bureaucracy is disorganized and shamelessly dishonest. After acknowledging that massive quantities of donated pharmaceuticals were looted by civil servants over the past two years, the government recently asked donors to send more, promising they wouldn't be stolen this time.

The degree to which the Malawian state is dysfunctional is made even clearer when one remembers that it has performed miserably under circumstances that many governments in Africa pine for: huge flows of aid money, low crime, virtually no violence, and zero ethnic or religious strife. Last year, the London-

based Overseas Development Institute summarized the government's sorry record:

> "In brief, the politicians and the civil servants have joined together to destroy the state's capacity to do policy. … Civil servants follow the example of their political masters

> and see the state and their posts not as a means of helping the nation or its people but as a resource for patronage and self-enrichment."

The institute's report concludes with what the authors injudiciously call a meltdown scenario, in which donors cannot inject money into the country fast enough to stay apace of the perverse demands of a rapidly rising population, growing disease loads and a deteriorating economy.

RADU SIGHETI/REUTERS

I listened to Stephen Carr, a former agricultural specialist at the World Bank, muse at length about Malawi's predicament. Carr speaks with great affection of the country's physical beauty and the warmth of its people. But that does not prevent him from giving voice to a startling view: Malawi should be "closed": liquidated and reorganized under new "owners" and led by new "managers." Looking down at the densely populated valley below – with barely a sign of electric lights – from the veranda of his house in Zomba, a town near the center of the country, Carr grimly opines: "Here is a country that's not sustainable. Without international aid, Malawi cannot exist."

Carr is not a crackpot; nor is he naïve about Africans' capabilities. He and his wife first came to Africa a half-century ago to farm in Sudan and Uganda. In the 1970s, he served as an agricultural counselor to the governments of Sudan and Tanzania, and in the 1980s became a senior adviser on African agriculture to the World Bank. He retreated to his Malawian home in 1989, though he still occasionally consults for international agencies.

Carr's grim assessment of Malawi follows neither from moralism nor from emotion, but rather from a dispassionate review of the country's history and original design. In Carr's retelling, Malawi is an accidental country whose origins lie in "an unfortunate historical quirk." The British wanted a highway from the Cape in southern Africa north to Cairo. And in the mind's eye of the statesman-robber baron Cecil Rhodes, Lake Malawi was a critical link between British holdings in the north, east and south of

Africa. So the British seized a slice of what was then a Portuguese colony and is now Mozambique.

In the aftermath of Britain's grab of this long, narrow strip of territory, people from the east, groaning under brutal Portuguese rule in Mozambique, flocked to what Carr describes as "the kinder environment of Malawi." Over the course of the 20th century, Malawi's population grew 15-fold, one of the largest increases of any state in the world. Today, the country's population simply isn't sustainable. "You can't feed 13 million people without foreign food aid," Carr says.

One could imagine fixes such as placing Malawi under an international trusteeship or parceling its territory between Zambia and Mozambique.

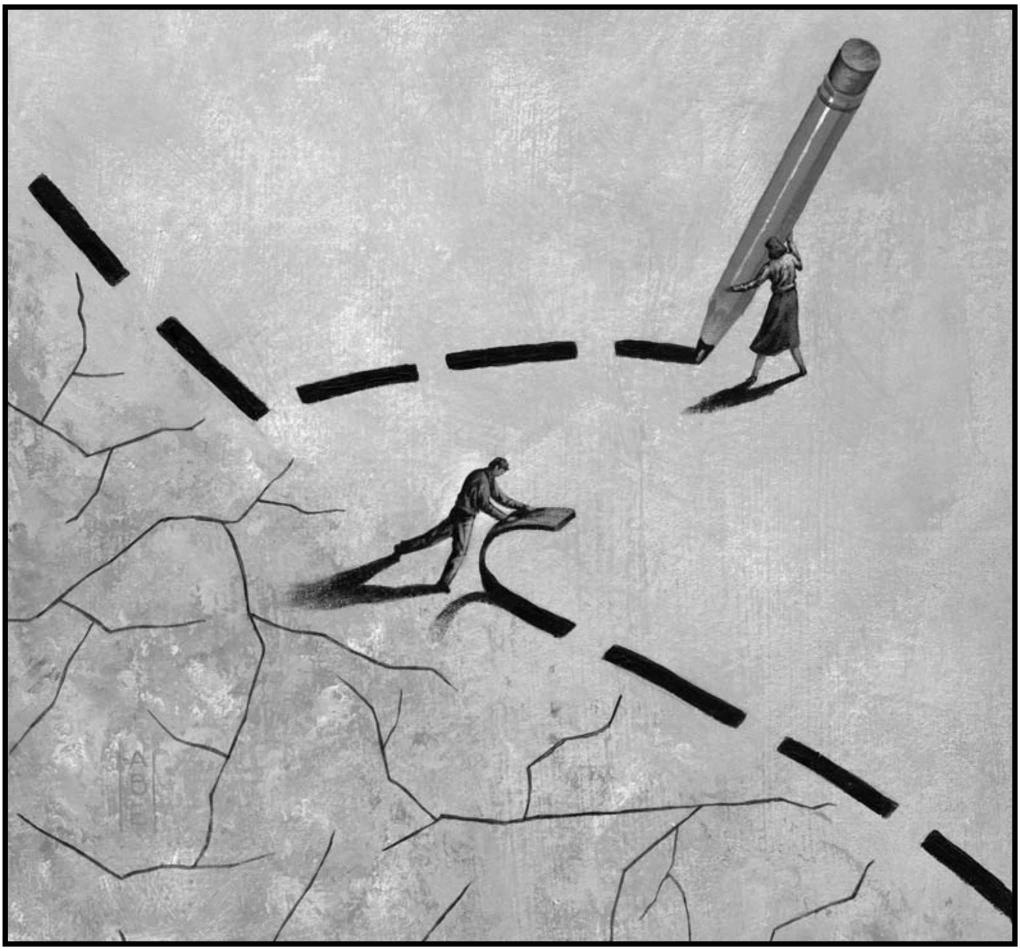
Indeed, food aid has repeatedly been needed in recent years to ease chronic shortages and, in a few cases, to prevent full-blown famine. Carr views such relief as a Band-Aid and is pessimistic about any grand leaps in agricultural productivity, given the poor condition of Malawi's soil, the dependence on undependable rain and the already-intensive use of arable land. The best option, he insists, would be large-scale migration of Malawians to neighboring Mozambique and Zambia, where farmland is more plentiful and there is some semblance of urban infrastructure. "What needs to be done is to get people out of the country," he insists.

If the international community has the stomach for dramatic intervention one could imagine fixes, such as placing Malawi under an international trusteeship or parceling its territory between Zambia and Mozambique. Both of these countries have booming economies and share ethnic identity with Malawi. Indeed, the lack of economic and political integration between the three states is positively shameful, and a move toward a single nation-state, despite many decades of language and colonial differences, would likely ignite economic growth.

To find precedent for this scale of intervention one would have to go back to the colonial era or the Treaty of Versailles. But there is evidence in Malawi, at least, that people have had enough and would not even give the state (or its current borders) a decent funeral. The researchers from the Overseas Development Institute found that nationalism is "a comparatively impotent force for change" within the country.

The brittleness of Malawi calls to mind the second thoughts harbored by Hastings Banda, the leader of the drive for independence, who, before the exit of British in 1964, pleaded with his colonial masters to maintain some shared sovereignty. The British refused and Banda, against his better judgment, led the new state. That experiment is now old enough to be declared a failure.

The general reluctance to put failed states into what amounts to bankruptcy proceedings and incorporate them into more effective neighboring states rather than supporting phony revivals with international money, is certainly understandable. Few are prepared anymore to play God with nation-states and political identities. Yet, as a practical matter, the donors who pay 50 cents of every dollar spent by most sub-Saharan governments already play God. They are choosing, by their actions, to maintain the miserable status quo.



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Westerners may bemoan the violence that would accompany the process of rebuilding sub-Saharan Africa without colonial borders and the governments recognized by the world powers. But after decades of hunger, disease and violence – think of Congo or Sudan – it is hard to argue that geopolitics-as-usual represents a more humane alternative. As Jeffrey Herbst, the former chairman of Princeton's department of politics, concludes, "The international community thus faces the choice between ignoring successful secessionist movements and thereby forcing them to remain semicriminal affairs, or trying to help them create new state institutions."

Rather than prop up dead or dying states or micromanage changes in African political boundaries, the international community would do better to leave more room for people's own preferences to carry the day.

What we loosely dub "the market" here is not always right, of course. But decentralized economic and social forces will likely provide more just and satisfying answers than the legacy of colonialism and the tyranny of elite misrule that has characterized African polities for so long. And one need not be a freebooter to imagine market forces giving rise to a geopolitical landscape far superior to the current arrangement.